
TOO GOOD TO BE TRUE....

A Column on Consumer Issues

by Attorney General Wayne Stenehjem's
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Infomercial – Don't Fall Victim to A Scam

Ever had one of those nights when you just can't sleep, so you get out of bed and turn on the television, hoping to watch something that will make you drift off to sleep? When you turned on the TV, the only things to watch were infomercials. Maybe you enjoy ordering the latest gadgets you see demonstrated on TV infomercials. Almost anything you can imagine is available from these late night paid programs including diet programs, exercise devices, and cookware.

But remember, not all infomercial sellers are reputable and they can cause you many sleepless nights. This happens because some of the companies taking these infomercial orders - fulfillment houses - use independent telemarketers to answer public calls on their toll-free numbers. When you phone to order a Pasta Pot or Miracle Blade Knives, the marketer might ask if you also want to enroll in a "buying club" or "travel service." Even if you say 'no,' some of these telemarketers may enter your name and credit card as a 'yes.' A month later you receive your credit card bill, and see a charge of \$125 or more to pay for some "buying club" membership!

Some of these marketers will hold your credit card information and sell it to other companies. Suddenly you see mysterious charges for all sorts of unknown products on your credit card statement. This practice by marketers is called "up-selling." If this happens to you, you do not have to pay these bogus charges. You must, however, follow the instructions on your credit card statement and have the amounts removed promptly through the companies dispute process.

When ordering from a TV infomercial, here are some tips:

- Make sure the firm is reputable. Check with the Consumer Protection Division to see if there are any consumer complaints filed against them. You may also wish to contact the Better Business Bureau in the state where the company is located to check their business record.
- If asked to buy some other product or club membership, be very clear you don't want it.
- Review your credit card statement carefully every month to discover any unauthorized charges. If unauthorized charges are discovered, dispute them with your credit card company promptly. You have 60 days to dispute the charges.

- If you hear these phrases during the infomercial, “but wait, there’s more!” “Results guaranteed!” and “buy within the next 5 minutes and . . .” be careful. These are phrases to grab your attention but what is the truth behind the claims?
- Infomercials often feature endorsements by celebrities who were once popular. The sponsors want you to watch the show because you recognize the stars.

FCC (Federal Communication Commission) rules require a sponsor of a paid program (infomercial) to disclose who is paying for the program at either the beginning or end of the infomercial.

The Attorney General’s Consumer Protection Division investigates allegations of fraud in the marketplace. Investigators also mediate individual complaints against businesses. If you have a consumer problem or question, call the Consumer Protection Division at 328-3404, toll-free at 1-800-472-2600, or 1-800-366-6888 (w/TTY). This article and other consumer information is located on our website at www.ag.state.nd.us.

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